



*The **ECONOMIC** IMPACTS of the PORT OF DETROIT*

*The **ECONOMIC** IMPACTS of the
GREAT LAKES - ST. LAWRENCE
SEAWAY SYSTEM*

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Lancaster, PA*

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ABOUT THIS REPORT

A report entitled *The Economic Impacts of the Great Lakes-St. Lawrence Seaway System* was published on October 18, 2011. (The report is available at www.marinedelivers.com.) Martin Associates of Lancaster, Pennsylvania, was retained to prepare this study by a consortium of Canadian and U.S. Great Lakes-St. Lawrence Seaway System stakeholders.¹

The analysis includes the economic impacts generated by marine cargo activity on the Great Lakes-Seaway system, including U.S. domestic commerce, Canadian domestic commerce, bi-national commerce between the two countries, and international traffic moving between the Great Lakes-Seaway region and overseas destinations. The impacts are measured for the year 2010 and are presented in terms of total economic impacts at the bi-national regional level, the state/provincial level and the country level.

The study methodology is based on analysis of a core group of 32 Canadian and U.S. Great Lakes-Seaway system ports, which included the Port of Detroit. The Martin Associates' study team conducted detailed interviews with marine terminal operators, service providers, railroads, port tenants and other stakeholders at each port, including the Port of Detroit. All firms were contacted by telephone and interviewed to collect the data required to assess direct impacts and develop the individual port models.

This report, *The Economic Impacts of the Port of Detroit*, isolates the economic impacts created by all cargo and vessel activity at the Port of Detroit. The impacts include cargo moving on Canadian flag, U.S. flag, and foreign flag vessels to and from the Port.

¹ The consortium includes the American Great Lakes Ports Association (AGLPA), the Chamber of Marine Commerce (CMC), the St. Lawrence Seaway Management Corporation (SLSMC), the Saint Lawrence Seaway Development Corporation (SLSDC), the Lake Carriers' Association, the Great Lakes Maritime Task Force, Fednav Limited, Algoma Central Corporation, and Canada Steamship Lines. Technical and project management assistance was provided by Transport Canada.

Chapter I

METHODOLOGY

*This section describes the methodology utilized to produce the report entitled **The Economic Impacts of the Great Lakes-St. Lawrence Seaway System**, which was published on October 18, 2011. The economic impacts related specifically to the Port of Detroit are included in that broader Great Lakes-St. Lawrence Seaway study, and have been isolated and reported separately in this report.*

The Great Lakes-Seaway system extends from its western-most point in Duluth, Minnesota, to eastern Quebec. The waterway includes the five Great Lakes, their connecting channels and the St. Lawrence River. This analysis examines the economic impacts created by cargo and vessel activity at all marine terminals located along the system — in the states of Minnesota, Wisconsin, Illinois, Indiana, Michigan, Ohio, Pennsylvania and New York, and the provinces of Ontario and Quebec. Included are terminals owned by public port authorities such as municipalities, counties and independent port agencies, as well as those owned and operated by private companies.

It is important to note that the purpose of the study is to quantify the economic benefits of the Great Lakes-Seaway system; therefore, the scope does not include measurement of the net impacts of the system. To ensure the most accurate measurement of Great Lakes-Seaway system impacts, the study excludes impacts created by international maritime commerce through St. Lawrence River ports in Quebec, where cargo does not transit the St. Lawrence Seaway lock system to and from the upper lakes. For example, trade between European ports and the Port of Montreal is not included in the impact analysis.

The study methodology is based on analysis of a core group of 32 Canadian and U.S. Great Lakes-Seaway system ports. The 32 individual ports are listed in Exhibit I-1.

The study team conducted detailed interviews with marine terminal operators, service providers, railroads, port tenants and other stakeholders at each port. The firms included in the interview process were identified from the following sources:

- *Greenwood's Guide to Great Lakes Shipping*
- Port directories
- Interviews with port authorities associated with the 32 individual ports
- Supplemental lists provided by stakeholders

Exhibit I-1 Individual Ports Included in the Study

US Ports (16)	Canadian Ports (16)
Ashtabula	Becancour
Buffalo	Goderich
Burns Harbor	Hamilton
Chicago	Meldrum Bay
Cleveland	Montreal/Contrecoeur
Conneaut	Nanticoke
Detroit	Oshawa
Duluth	Port-Cartier
Erie	Quebec/Levis
Green Bay	Sarnia
Milwaukee	Sept Iles/Pointe-Noire
Monroe	Sorel
Oswego	Thunder Bay
Saginaw	Toronto
Superior	Trois-Rivieres
Toledo	Windsor

In total, 1,095 firms were identified. All firms were contacted by telephone and interviewed to collect the data required to assess direct impacts and develop the individual port models. Of the 1,095 firms contacted, 907 (83 percent) provided data in the following categories:

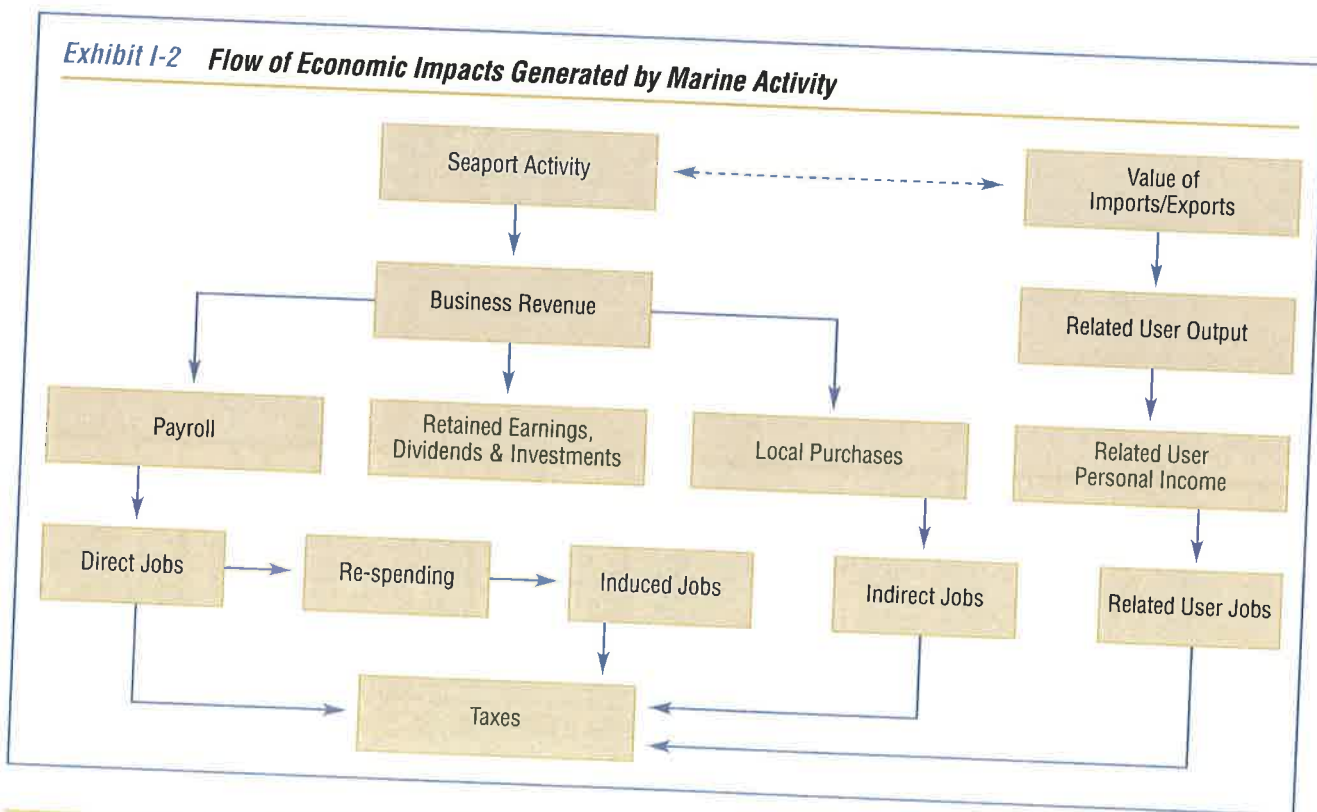
- Jobs
- Income
- Revenue
- Local purchases
- Terminal operational specifics:
 - Modal splits
 - Hinterland distribution patterns
 - Rail and truck rates
 - Rail yard specifics

To measure the impacts of marine cargo moving via individual ports and private terminals not included in the core group of 32 ports, Martin Associates developed prototype economic impact models. These models were used to expand the impacts to a state/provincial level, thus incorporating the Great Lakes-Seaway tonnage moving to and from all marine terminals located within a specific state or province.

1. FLOW OF IMPACTS

Waterborne cargo activity at a marine terminal on the Great Lakes-Seaway system contributes to the local, regional, state/provincial and national economies by generating business revenue for firms that provide vessel and cargo-handling services at the terminal. These companies, in turn, provide employment and income to individuals, and pay taxes to federal, state/provincial and local governments. Exhibit I-2 shows how activity at marine terminals generates impacts throughout the local, regional, state/provincial and national economies. As this exhibit illustrates, the economic impact of a port cannot be reduced to a single number, as the port activity creates several impacts — the **revenue impact, employment impact, personal income impact, and tax impact**. These impacts are non-additive. For example, the income impact is part of the revenue impact, and adding together these impacts would result in double-counting.

Exhibit I-2 Flow of Economic Impacts Generated by Marine Activity



1.1 Business Revenue Impact

At the outset, activity at the port generates **business revenue** for firms that provide services. This business revenue impact is dispersed throughout the economy in several ways; it is used to hire people, purchase goods and services, and pay federal, state and local taxes. The remainder may be used to pay stockholders, retire debt or make investments, or may be held as retained earnings. Note that the only components of the revenue impact that can definitely be identified as remaining in the local economy are those portions dispersed in the following ways: salaries to local employees; local purchases by individuals and businesses directly dependent on the seaport; contributions to federal, state/provincial and local taxes; tenant lease payments to the port authorities; and wharfage and dockage fees paid by the steamship lines to the individual port authorities.

The related users output is the **value of the marine cargo moving via the marine terminals**. This output covers two categories of items moving through the terminals: the value added at each stage of production for exported (shipped) items, as well as the value added at each stage of use of imported (received) products. This total value of output represents the economic value of the marine terminals on the Great Lakes-Seaway system. In the steel sector, for example, related users include mines producing the coal and ore tonnage moving on the Great Lakes-Seaway system; the mills producing steel from that ore tonnage; and all suppliers and support operations required to produce the steel associated with that iron ore tonnage transported on the system. Similarly, grain farmers producing the grain exported (shipped) from system ports are included in the related user category, as are the supporting industries and their output required to deliver a ton of grain for export.

1.2 Employment Impact

The employment impact of the Great Lakes-Seaway port activity consists of four levels of job impacts:

- **Direct employment impact** — jobs directly generated by seaport activity. Direct jobs generated by marine cargo include jobs with railroads and

trucking companies moving cargo between inland origins and destinations, and the marine terminals, as well as the jobs of longshoremen and dockworkers, steamship agents, freight forwarders, stevedores, and others. It should be noted that jobs classified as “directly generated” are those that would experience near-term dislocation if the activity at the marine terminals were discontinued.

- **Induced employment impact** — jobs created throughout the local, regional and national economies because **individuals** directly employed due to port activity spend their wages locally on goods and services such as food, housing and clothing. These jobs are held by residents located throughout the region, since they are estimated based on local and regional purchases.
- **Indirect employment impact** — jobs created within the region due to purchases of goods and services **by firms, not individuals**. These jobs are estimated directly from local purchases data supplied by the 907 companies interviewed as part of this study. They include jobs with office supply firms, maintenance and repair firms, parts and equipment suppliers, and others.
- **Related user employment impact** — jobs with firms using the seaport to ship and receive cargo. While the facilities and services provided at the ports and marine terminals are a crucial part of the infrastructure that allows these jobs to exist, they would not necessarily be displaced immediately if marine activity were to cease. The related users include the shippers/consignees who do not have operations on port property, and therefore could — and often do — use other modes to ship and receive cargo and raw materials. For the purposes of this analysis, shippers/consignees that have on-dock facilities or marine terminals associated with the production site are counted as directly dependent.

1.3 Personal Earnings Impact

The **personal earnings impact** is the measure of employee wages and salaries (excluding benefits) received by individuals directly employed due to port activity. Re-spending of these earnings on goods and

services throughout the regional economy is also estimated using a state or provincial personal-earnings multiplier, which reflects the percentage of purchases by individuals that are made within the state/province in which the port is located. This re-spending generates additional jobs or the “induced” employment impact. The re-spending effect varies by region — a larger effect occurs in regions that produce a relatively large proportion of the goods and services consumed by residents, while lower re-spending effects are associated with regions that import a relatively large share of consumer goods and services (since personal earnings “leak out” of the region for these out-of-region purchases). The direct earnings are a measure of the local impact since they are received by those directly employed by port activity.

1.4 Tax Impact

Tax impacts are tax payments to federal, state/provincial and local governments by firms and by individuals whose jobs are directly dependent upon and supported (induced and indirect jobs) by activity at the marine terminals.

2. IMPACT STRUCTURE

The four types of economic impacts are created throughout various business sectors of the local, regional, state/provincial and national economies. Four distinct sectors are impacted as a result of activity at the marine terminals. These are:

- Surface transportation sector
- Maritime services sector
- Shippers/consignees using the port
- Port authorities/Seaway authorities

Within each business sector, various participants are involved. This study estimates separate impacts for each of the participants. Below is a discussion of the four sectors analyzed for economic impacts — including a description of the major participants in each.

2.1 Surface Transportation Sector

The surface transportation sector consists of both the railroad and trucking industries. The trucking firms and railroads are responsible for moving the various cargoes between the marine terminals, and the inland origins and destinations.

2.2 Maritime Services Sector

Waterborne cargoes handled by each Great Lakes-Seaway port/marine terminal generate economic activity in various business sectors of the local economy. Specifically, these impacts occur in the following categories:

Terminal Operations — includes those companies that hire labor to load/off-load ships, transfer cargo to truck or rail, sort cargo, stage cargo, and provide short- and long-term storage of cargo

Dockworkers — include members of the International Longshoremen’s Association, International Union of Operating Engineers, International Brotherhood of Teamsters and the United Steelworkers, as well as those dockworkers with no union affiliation that are involved in the loading/unloading of cargo

Tug Assist — includes those companies that provide tug boats to assist vessels with docking and undocking

Pilots — include those companies and organizations that provide navigation-assistance services to vessels as required under U.S. and Canadian law

Agents — include those companies that provide vessel and crew-related services, including documentation required to enter and clear the ship, arrangement of pay for crews, and provision of food and supplies

Marine Services — include a variety of service providers such as chandlers that supply ships with food, supplies and equipment; marine surveyors that inspect vessels and cargo, and provide valuations for insurance purposes; launch operators that provide ferry services for crew to move from ship to shore; and fuel-supply companies that provide vessels with bunker fuel

Freight Forwarders — include those companies that provide transportation logistics and management services, and that coordinate both marine and land transportation for cargo

Government — includes those federal and local government agencies that perform services related to cargo handling and vessel operations, such as the U.S. Army Corps of Engineers, Department of Homeland Security, U.S. Customs and Border Protection, the Canadian and U.S. Coast Guards, and the Canada Border Services Agency.

Ship Repair — includes those companies that provide ship construction and repair services on both a scheduled and emergency basis

Laker Operators — include the crew and headquarters-based management employees of U.S. and Canadian domestic Great Lakes vessel operators that transport cargo

Barge Operators — include the crew and headquarters-based management employees of U.S. and Canadian domestic Great Lakes barge operators that transport cargo

2.3 Shippers/Consignees Sector

This sector includes those firms that ship or receive cargo via a specific port. For the purpose of this analysis, shippers/consignees are divided into two categories. The first category consists of those dependent upon the port and usually located within the port's immediate vicinity.

The second category of shippers/consignees consists of those that could easily use competing ports. For example, if the port were not available, members of the first category would likely be driven out of business in the near term, while members of the second category would shift to another port. These non-dependent users are classified as “related port users” and include farmers producing grain for export, mines producing iron ore, limestone, gypsum and salt, and the construction industry, which uses sand, gravel and cement.

2.4 Port Authorities/Seaway Authorities

This sector includes the various port authorities operating in the Great Lakes-Seaway system. Also included in this category are the employees of the U.S. Saint Lawrence Seaway Development Corporation (SLSDC) and the Canadian St. Lawrence Seaway

Management Corporation (SLSMC), as well as the lock operators at each of the lock systems on the Great Lakes-Seaway system — including the Soo Locks, which connect Lake Superior and Lake Huron.

3. SUMMARY OF METHODOLOGY

This section provides a summary of the methodological approach used to analyze the economic impacts of the vessel and cargo activity on the Great Lakes-Seaway system.

3.1 Data Collection

The cornerstone of Martin Associates' approach is the collection of detailed baseline impact data from firms providing services at the ports and terminals. To ensure accuracy and defensibility, the baseline impact data were collected from interviews with 907 firms that provide services on the Great Lakes-Seaway system. These firms represent more than 80 percent of the 1,095 firms identified in the Great Lakes-Seaway port community. In most cases, multiple interviews were conducted with several persons in each firm.

The baseline survey data collected from the 907 firms were used to develop operational impact models for each of the 32 ports. These data were also used to develop a model to expand the impact calculations beyond the 32 ports and therefore, to estimate state-wide/province-wide impacts.

3.2 Direct Jobs, Income, Revenue and Tax Impacts

The results of these interviews were then used to develop the baseline direct job, revenue and income impacts for the business sectors and job categories associated with the cargo activity at the marine terminals in the 32 individual port districts for which specific impact models were developed.

The direct tax impacts are estimated at a federal, state/provincial and local level based on actual per capita income levels as published by the Tax Foundation (for the U.S.) and Revenue Canada.

3.3 Induced Impacts

Induced impacts are those generated by the purchases of **individuals** directly employed as a result of port and terminal activity. For example, a portion of the personal earnings received by those directly employed due to activity at the marine terminals is used for purchases of goods and services, both regionally, as well as out-of-region. These purchases, in turn, create additional jobs in the region; these jobs are classified as “induced”.

To estimate these induced jobs for the 16 U.S. Great Lakes ports, the study team developed a state personal-earnings multiplier (for each state in which a port was located) from data provided by the U.S. Bureau of Economic Analysis, Regional Income Division. This personal-earnings multiplier was used to estimate the total personal earnings generated in the state as a result of the activity at the specific Great Lakes port within that state. A portion of this total personal-earnings impact was next allocated to specific local purchases (as determined from consumption data for the relevant state residents), as developed from the U.S. Bureau of Labor Statistics, Consumer Expenditure Survey, 2009. These purchases were next converted into retail and wholesale induced jobs in the state economy — by combining the purchases with the jobs-to-sales ratios in the supplying industries. A portion of the retail purchases was allocated to wholesale purchases, based on industry-specific data developed from the U.S. Bureau of Census, 2007 Economic Census. These wholesale purchases were combined with the relevant jobs-to-sales ratios for the wholesale industries associated with the local purchases. These ratios were developed at the state level in which the specific port was located.

To estimate the induced impacts associated with the cargo moving via the Canadian ports, personal-income multipliers for the waterborne transportation sector in Ontario and Quebec were developed by Statistics Canada, Industry Accounts Division, and provided to Martin Associates. Martin Associates developed the distribution of purchases by type of purchase (food at home, food in restaurants, housing, apparel, home furnishings, transportation, medical care, etc.) for each province — using data provided by Statistics Canada (2009 base data). The associated supplying industry jobs-to-sales ratios on a provincial level

were also supplied to Martin Associates by Statistics Canada (Provincial Input-Output Models). These ratios included the retail and wholesale re-spending impacts. The personal consumption expenditures from the port activity were then combined with these job multipliers to estimate the “consumption” induced impacts by the province in which each of the 16 Canadian ports are located.

To estimate the “non-consumption” induced impacts with such sectors as state/provincial governments, education, and other social services, a ratio of state/provincial employment in these key service industries to total state/provincial employment was developed. This ratio was then multiplied by the direct and consumption induced jobs to estimate the total direct and induced job impact.

The re-spending impact includes not only the wage and salary income received by people employed to provide goods and services to the direct job holders, but also the value of the purchases. Therefore, the re-spending/local consumption impact cannot be divided by the induced jobs to estimate the induced income — as this would overestimate the induced personal wage/salary impact per induced job.

A separate induced impacts model was developed for each of the 32 ports.

3.4 Indirect Jobs

Indirect jobs are generated in the local economy as the result of purchases by **companies** that are directly dependent upon cargo and vessel activity at ports and marine terminals, including shippers/consignees. These purchases are for goods such as office supplies and equipment, as well as for services including maintenance and repair, communications and utilities, transportation and professional services. To estimate the indirect economic impact, data on local purchases — by type of purchase — were collected from each of the 907 firms interviewed. These local purchases were then combined with employment-to-sales ratios in local supplying industries, developed from the U.S. Bureau of Economic Analysis, Regional Input-Output Modeling System for the U.S. ports and from Statistics Canada, Industry Accounts Division, for Canadian ports. The indirect job ratios also

account for the in-state/in-province spin-off effects from multiple rounds of supply chains that are required to provide the purchased goods and services. Indirect income, local purchases and taxes are also estimated.

A separate indirect impacts model was developed for each of the 32 ports.

3.5 Related User Impacts

Related user impacts measure the jobs, income, output and tax impacts with shippers and consignees and supporting industries that move cargo through the marine terminals located at each of the 32 ports. These impacts are classified as “related” because these firms can and do use other ports and marine terminals not necessarily on the Great Lakes-Seaway system. As a result, jobs with these exporters and importers cannot be counted as dependent upon the ports and marine terminals on the system.

The related user jobs are estimated based on the value-per-ton of the commodities exported and imported via each of the 32 ports, and the associated jobs to value-of-output ratios for the respective producing and consuming industries located in the state or province. The value-per-ton of each key commodity moving through each port was developed from the U.S. Census Bureau, USA Trade Online, and also converted into Canadian dollars for the Canadian ports. The average value-per-ton for each commodity moving through each port was then multiplied by the respective tonnage moved in 2010. Ratios of jobs to value-of-output for the corresponding consuming and producing industries were developed by Martin Associates from the U.S. Bureau of Economic Analysis, Regional Input-Output Modeling System, for the United States — for each of the Great Lakes states in which the 16 ports are located. For the 16 Canadian ports, the ratios were developed using data from Statistics Canada, Industry Accounts Division. These jobs-to-value coefficients include the spin-off impacts that would occur at the national level in order to produce the export commodity or use the import commodity in production. The ratios of jobs to value-of-export or import cargo were then combined with the national value of the respective commodities moving via each of the 32 ports; this allowed for the estimation of related jobs and spin-off jobs in the

national economies that support the export and import industries using the Great Lakes-Seaway system. Similarly, the respective income and output multipliers were used to estimate the related personal income impacts, as well as the total value of economic output and taxes generated by each port. It is important to note that care was taken to control for double counting of the direct, induced and indirect impacts.

Examples of related user impacts include the following: iron ore mining associated with iron ore shipped via Great Lakes-Seaway ports; the steel industries consuming the iron ore for use in the production of steel; coal mining associated with coal moved through each port; the utilities consuming coal received by water at each of the ports; and farming associated with the volume of grain moving via the ports.

Note that the related user impacts include only the impacts created by the volume of the cargo moving via each specific port. The related impacts include the impacts with the shipper/consignee of the cargo, and also include the impacts with the support industries necessary to deliver that volume of cargo to a port for shipment.

For raw materials and intermediate products received at a port — iron ore, for example — the value of the volume of ore received at the specific port is converted into a “value of steel produced.” This value of the steel produced (based on the volume and value of the ore received) is then used to develop the related user jobs, income, inter-industry purchases, value of output, and the taxes paid resulting from the volume and value of the iron ore received at the specific port and resulting steel production.

For example, for a steel mill located in proximity to a port — but receiving a portion of raw materials by rail — the related impact is based only on the volume of the raw materials received via the port **by water**. Therefore, the total employment at the mill is not included in the related jobs, only that share specifically related to the volume of the raw material moving through the marine terminals.

The respective income and output multipliers associated with the industries for which the employment coefficients were developed, were used to estimate the related user personal income impacts,

as well as the total value of economic output and taxes generated by cargo activity at each of the 32 ports, and for the total system. Once again, care was taken to control for double counting of the direct, induced and indirect impacts.

Note that related user impacts are counted only once for the shipment or receipt of cargo by a port/marine terminal, in contrast to the calculations used for the other types of impacts. For example — for grain shipped via Thunder Bay, received at a St. Lawrence River port such as Quebec and then reloaded onto a foreign-flag vessel for export — direct, induced and indirect impacts are created at the port of shipment (Thunder Bay), the port of discharge (Quebec) and the port where the grain was loaded for international export (Quebec). Therefore, the same ton of grain created direct, induced and indirect impacts at each of the three points of handling. This is not the case for related user impacts, as the user impacts with the grain (the farm jobs, income, revenue, taxes and supporting industries required to deliver a ton of grain to the port for shipment) are counted only for the initial shipment of the grain from Thunder Bay. The related user impacts of the same ton of grain are not counted for the St. Lawrence River ports.

A related user model was developed for each of the 32 ports and then used in each prototype model for “non-port specific” cargo and vessel activity, to estimate the total related user impacts for each state/province and the system as a whole.

4. COMMODITIES INCLUDED IN THE ANALYSIS

Economic impacts were estimated for the following commodities handled at the marine terminals on the Great Lakes-Seaway system:

- Steel products
- General cargo (excluding steel)
- Iron ore
- Grain
- Stone/aggregates
- Cement
- Salt

- Other dry bulk
- Other liquid bulk
- Coal
- Petroleum products
- Wind energy components/equipment

5. ESTIMATE OF TONNAGE

Currently, there is no single data source for the marine cargo moving on the Great Lakes-Seaway system. The U.S. Army Corps of Engineers’ (USACE) “Waterborne Commerce Statistics” provides data on total international and domestic shipments by U.S. port district, but does not have information for the Canadian ports. Furthermore, the year 2009 is the latest year for which USACE data is available, and due to the recession, that year’s tonnage levels were abnormally low. The Lake Carriers’ Association provides tonnage data for vessel activity on the Great Lakes. This tonnage is for bulk cargo moving on U.S. and Canadian flag carriers — by port of loading and broad bulk commodity groups — and this data is available for the year 2010. The Lake Carriers’ Association also provides data on U.S. flag vessels moving cross-lake to Canadian ports. Statistics Canada provides port-to-port data flows by commodity, both international and domestic, for the Canadian ports operating on the Great Lakes-Seaway system, but this data is for 2009. Finally, the Canadian St. Lawrence Seaway Management Corporation (SLSMC) publishes data for traffic moving via the St. Lawrence Seaway and for traffic movements by lock system on the Great Lakes-Seaway system. However, this database does not include traffic moving within the upper four Great Lakes (and not transiting one of the Seaway locks). All of these sources were used to formulate estimates regarding tonnage by commodity moving on the Great Lakes-Seaway system.

The tonnage estimates used in each of the 32 individual port models were developed from individual port authority tonnage data and through interviews with the terminal operators located in each of the 32 port districts. This data was then cross-checked with the Lake Carriers’ Association database for U.S. and Canadian flag carriers — by key commodity group — with specific focus on identifying cargo moving on

the U.S. and Canadian flag fleets. The St. Lawrence Seaway Traffic Statistics database was also used to check and modify the tonnage — by commodity — identified for each port as international tonnage, as well as U.S. and Canadian flag tonnage moving via the St. Lawrence Seaway lock system.

The 322.1 million metric tons of cargo handled via the U.S. and Canadian ports and marine terminals located on the Great Lakes-Seaway system include domestic cargo shipped via the ports, as well as that same cargo received through ports in the system. Therefore, this tonnage represents shipment and receipts of domestic cargo and trans-lake cargo, and will be significantly greater than the domestic cargo identified as moving on the vessels by the Lake Carriers' Association and the St. Lawrence Seaway Traffic Statistics.

The tonnage estimates developed for each of the 32 ports were then used as inputs into the port-specific models, which consist of the direct, induced, indirect and related users sub-modules. Impacts were then estimated for each of the 32 ports.

6. EXPANSION OF THE 32-PORT IMPACT MODELS TO MEASURE SYSTEM-WIDE IMPACTS

A prototype model was developed for each state and province, to measure the cargo that moves through private terminals and ports not located in one of the 32 port districts for which the individual models were developed. These prototype models also consist of direct, induced, indirect and related sub-modules, and were developed based on revenue-per-ton ratios and jobs-per-ton ratios by commodity and category, estimated from the port-specific models for the ports located in each relevant state or province.

The “other Great Lakes-Seaway tonnage” (outside the 32 port districts) was calculated based on the following methodology. For the United States, total state tonnage by commodity moving on the Great Lakes was developed from data provided by the U.S. Army Corps of Engineers. This data is for the year 2009, and was expanded based on the growth in tonnage between 2009 and 2010, as reported by the Lake Carriers' Association. The individual port-district tonnage used in the port-specific models for each state was then subtracted from each state's total Great Lakes tonnage — by commodity — to estimate “other Great Lakes-Seaway tonnage,” by commodity, for each state.

For Canada, total provincial tonnage for all Great Lakes-Seaway ports was developed from Statistics Canada data. The most recent year for which this data is available is 2009; therefore, the data were adjusted by the rate of growth in Canadian Laker tonnage between 2009 and 2010. The individual port-district tonnage used in the port-specific models for each province was then subtracted from each province's total Great Lakes-Seaway tonnage to estimate “other Great Lakes-Seaway tonnage” for Ontario and Quebec.

Using the 32 port-specific models, and the state and provincial models for “other tonnage”, the economic impacts at the level of the 32 port districts and the “other impacts” were then combined to estimate total impacts in the following categories:

- System-wide
- By state and province
- By commodity
- By carrier flag
- By employment sector

It is worth emphasizing that the direct impacts generated at the 32 individual ports accounted for 71 percent of the total impacts. The 16 U.S. ports accounted for 66 percent of the estimated total U.S. impacts, while the 16 Canadian ports accounted for 75 percent of the estimated total Canadian impacts.

Chapter II

PORT OF DETROIT ECONOMIC IMPACTS

Cargo and vessel activity at the Port of Detroit generated the following economic impacts in 2010:

Exhibit II-1 Economic Impacts of the Port of Detroit

Jobs	
Direct	5,622
Induced	4,256
Indirect	5,582
Total	15,459
Personal Income	
Direct (1,000)	\$255,295
Re-spending / Local consumption (1,000)	\$558,433
Indirect (1,000)	\$232,200
Total (1,000)	\$1,045,928
Business Revenue (1,000)	\$1,590,857
Local Purchases (1,000)	\$433,230
State Taxes (1,000)	\$101,455
Federal Taxes (1,000)	\$188,267
Total Taxes (1,000)	\$289,722

Note: Totals may not add due to rounding

1. JOB IMPACTS

15,459 jobs in Michigan were supported by the cargo moving via the marine terminals located at the Port of Detroit.

- Of the 15,459 jobs, **5,622 jobs were directly** generated by the marine cargo and vessel activity at the marine terminals at the Port of Detroit.
- As a result of the local and regional purchases by those 5,622 individuals holding the direct jobs, an additional **4,256 induced jobs** were supported in the regional economy.
- **5,582 indirect jobs** were supported by \$433.2 million of regional purchases by businesses supplying services at the marine terminals at the Port of Detroit.

2. REVENUE IMPACTS

In 2010, the direct business revenue received by the firms directly dependent upon the cargo handled at the marine terminals located in the Port of Detroit was \$1.6 billion. These firms provide maritime services and inland transportation services for the cargo handled at the marine terminals and the vessels calling at the terminals.

3. PERSONAL INCOME AND LOCAL CONSUMPTION IMPACTS

The 5,622 individuals directly employed as a result of the cargo handled at the ports and marine terminals at the Port of Detroit received \$255.3 million in wages and salaries. These individuals, in turn, used these earnings to purchase goods and services, to pay taxes, and for savings.

The purchase of goods and services from regional sources creates a re-spending effect known as the personal-earnings multiplier effect. Using the local personal-earnings multipliers, an additional \$558.4 million in income and consumption were created by the Port of Detroit. In developing the personal-income multiplier impacts, Martin Associates relied on the national government agencies to provide the income multipliers.

In addition, the 5,582 indirectly employed workers received indirect wages and salaries totaling \$232.2 million. Combining the direct, induced and indirect income impacts, the cargo handled at the Port of Detroit generated \$1 billion in wages and salaries, and local consumption expenditures in the Great Lakes regional economy.

4. FEDERAL, STATE AND LOCAL TAX IMPACTS

A total of \$289.7 million in state and federal taxes were generated by cargo and vessel activity at the Port of Detroit, with \$101.4 million generated at the state level and \$188.3 million generated at the federal level.



Chapter III

RELATED USER IMPACTS

Related user impacts measure the jobs, income, output and tax impacts with shippers, consignees and supporting industries that move cargo through the marine terminals located at the Port of Detroit. These impacts are classified as related, since the firms using the marine terminals at the Port of Detroit for the movement of cargo can and do use other ports and marine terminals, not necessarily on the Great Lakes-St. Lawrence Seaway System. For example, exporters of breakbulk cargo often use freight forwarders, which in turn choose the port of export. Importers of breakbulk cargo often use several ports, based on market locations. Because of the proximity of other ports and the associated steamship service at these ports — particularly coastal ports such as New York, Baltimore, Montreal and Halifax — both importers as well as exporters of breakbulk and bulk cargo have some flexibility in port choice. As a result, the impacts with these exporters (shippers) and importers (consignees) cannot be counted as dependent upon the marine terminals at the Port.

The related user jobs are estimated based on the value-per-ton of the commodities exported and imported via the Port of Detroit and the associated jobs to value-of-output ratios for the respective producing and consuming industries. The value-per-ton of each of the key commodities moving via the Port was developed from the U.S. Census Bureau, USA Trade Online. The average value-per-ton for each commodity moving through the Port of Detroit was then multiplied by the respective tonnage moved at the Port in 2010. These jobs-to-value coefficients include the national spin-off impacts that would occur in order to produce the export (shipped) commodity or use the import (received) commodity in production. The ratios of jobs to the value of shipped or received cargo were then combined with the national value of the respective commodities moving via the Port of Detroit to estimate related jobs and the spin-off jobs in the national economy to support the industries using the Port's marine terminals.

It is important to note that the related impacts include only the impacts created by the volume of the cargo moving via the Port of Detroit. For raw materials and intermediate products received at the Port, the value of the volume of ore received at the specific port is converted into a "value of product produced", and the associated jobs, income and inter-industry purchases required to deliver that product (based only on the volume of the raw materials received at the specific port). For example, for a steel mill located in proximity to a port — but receiving a portion of raw materials by rail — the related impact is based only on the volume of the raw materials received via the port by water. Thus, the total employment at the mill is not included in the related jobs, only that share specifically related to the volume of the raw material moving via the marine terminals.

The respective income and output multipliers associated with the industries for which the employment coefficients were developed were used to estimate the related personal income impacts, as well as the total value of economic output and taxes generated by cargo moving via the Port of Detroit. Note that care was taken to control for double counting of the direct, induced and indirect impacts.

In 2010, the cargo handled at the Port of Detroit supported the following related user impacts, as shown in Exhibit III-1.

Exhibit III-1 Related User Impacts – Port of Detroit

Jobs	26,975
Personal Income (1,000)	\$1,193,006
Business Revenue (1,000)	\$6,623,065
State Taxes (1,000)	\$115,722
Federal Taxes (1,000)	\$214,741
Total Taxes (1,000)	\$330,463

1. RELATED USER JOBS

It is important to note that the 26,975 related user jobs include not only the impact with the actual producer of the raw material or consumer of the cargo, but also with the industries involved in supporting the production of a ton of material for export or the production of a product supported by the receipt of a cargo via the Port of Detroit. These related user jobs also include the induced jobs created by purchases by those directly employed in the user industries and supporting industries.

2. RELATED USER BUSINESS REVENUE

Related user business revenue impact is a measure of the total value of economic activity in the national economy that is supported by the cargo moving via the Port of Detroit. The figure of \$6.6 billion represents the value of the output to the national economy created due to the cargo moving via the Port. This includes the value added at each stage of well as the value added at each stage of production for the firms using imported (received) raw materials and intermediate products that flow via the Port's marine terminals.

3. RELATED USER PERSONAL INCOME

A portion of the related user business revenue impact is used to pay the 26,975 related user job holders. In 2010, these related user job holders received \$1.2 billion in income.

4. RELATED USER TAXES

As a result of the activity created in the related user sector due to the cargo handled at the Port of Detroit, a total of \$330.4 million in state and federal taxes were generated. Of these, \$115.7 million was received at the state level and \$214.7 million at the federal level.

The combined economic impacts related to cargo and vessel activity and the related user impacts are summarized in the following table.

Exhibit III-2 Combined Economic Impacts of the Port of Detroit

	Cargo & Vessel Activity Impacts	Related User Impacts	Total Port Impacts
Total Jobs	15,459	26,975	42,434
Total Personal Income (1,000)	\$1,045,928	\$1,193,006	\$2,238,934
Business Revenue (1,000)	\$1,590,857	\$6,623,065	\$8,213,922
State Taxes (1,000)	\$101,455	\$115,722	\$217,177
Federal Taxes (1,000)	\$188,267	\$214,741	\$403,008
Total Taxes (1,000)	\$289,722	\$330,463	\$620,185



ABOUT MARTIN ASSOCIATES

Martin Associates of Lancaster, Pennsylvania, is a leading provider of economic analysis and consulting services to the maritime industry. The company has developed more than 250 economic impact and strategic planning studies for major ports and waterways systems throughout the United States and Canada, including the Port of Seattle, Port of Vancouver, Port of Los Angeles, Port of Houston, Port of New Orleans, Port of Miami, and Port of Halifax. Martin Associates has also provided analysis for maritime trade associations such as the World Shipping Council and American Association of Port Authorities, and government agencies such as the U.S. Army Corps of Engineers and Canadian Coast Guard.

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DETROIT/WAYNE COUNTY PORT AUTHORITY

2013 - 2018 Operational Assessment

2013

Mission:

The mission of the DWCPA is to continue on the path of advancing programs and projects in the maritime domain that will enhance public awareness for the Port of Detroit, enhance tourism for the Great Lakes, and provide economic development, job creation, and investments through sustainable partnerships.

Priorities:

1. Advocate legislative changes that will remove difficult currently placed on the DWCPA bonding ability, which in turn will provide additional resources and solutions for businesses looking to build and invest in Detroit. This will help the Authority become more financially sustainable.
2. Promote growth within the greater Port of Detroit by highlighting and marketing our existing terminal services, researching and developing new opportunities for import cargoes, and advocating policy changes at the State level that will re-open our ability to export Michigan products around the globe.
3. The Port of Detroit will also continue developing export opportunities for our agriculture and steel industries.
4. Create new marketing strategies for our Public Dock & Terminal building to host cruise ships, tall ships, excursion and other maritime vessels of interest, including an International Ferry Transport and water taxi service.
5. Continue policy of monitoring the Homeland Security Plan for Port of Detroit by making strategic investments, offering specialized training, and facilitating greater coordination and communication among all stakeholders within the maritime domain.
6. Strategically evaluate economic growth, sustainability and opportunities within the greater Port of Detroit and its constituents by utilizing existing relationships, research and development to obtain current information for marketing Port of Detroit as a destination for international cargo and passenger cruise ships.
7. Launch the Detroit Wayne County Port Foundation, a newly established independent 501©3, by marketing the mission for community outreach, maritime preservation, environmental stewardship, with Educational Scholarships.
8. Working with the waterfront communities to understand and collaboratively seek grants for replacing the 1979 Curtis Randolph Detroit Fire Department fireboat, which is the only fireboat on the Detroit River.

Objectives

“Economic Impacts of the Great Lakes Maritime Industry”, published in 2011, is the driving force in understanding the future economic landscape for the Port of Detroit. The study found cargo and vessel activity at the Port of Detroit generated over 15,459 jobs, personal income, business revenue, local purchases, and state and federal taxes.

- **Job Impacts:** Of the 15,459 jobs, 5,622 jobs were directly generated by the marine cargo, manufacturing and vessel activity at the marine terminals at the Port of Detroit. As a result of the local and regional purchases by those 5,622 individuals holding the direct jobs, an additional 4,256 indirect jobs were supported by \$433.2 million of regional purchases by businesses supplying services at the marine terminals at the Port of Detroit.
- **Revenue Impacts:** The business revenue received by the firms directly dependent upon the cargo handled at the public and private marine terminals located in the Port of Detroit was \$1.6 billion. These firms provide maritime services and inland transportation services for the cargo handled at the Port.
- **Personal Income and Local Consumption Impacts:** The 5,622 individuals directly employed as a result of the cargo handled at the ports and marine terminals of the Port received \$255.3 million in wages and salaries. These individuals, in turn, used these earnings to purchase goods and services in the local community.
- **Federal, State and Local Tax Impacts:** A total of \$289.7 million in state and federal taxes were generated by cargo and vessel activity at the Port of Detroit with \$101.4 million generated at the state level and \$188.3 million generated at the federal level.
- **2013 Cargo Report:** Cargo volume estimates have some uncertainty, but with an increase expected in all cargo types and the rebound of the automotive industry the Port of Detroit anticipates an annual volume of over 400,000 tons. The volume estimate will increase with the recent Foreign Trade Zone designation at the Detroit facility allowing for additional cargo that requires this type of facility designation. We continue to market the Port of Detroit as a destination for international cargo.
- **Passenger Terminal:** Now in full operation the port is able to provide ample space to accommodate passengers for various types of Great Lakes cruise ships, U.S. Naval vessels, historic Tall Ships and ferry services for the Detroit Belle Isle Grand Prix. The economic impact of the Great Lakes Cruising industry is calculated to be \$36 million per season. The Yorktown Cruise line alone will generate almost \$4 million in economic activity this season.
- **Brownfield Assessments:** DWCPA is proud of its ability to work collaboratively with local units of government and private industry, to spur additional investment and inform planning and development efforts. This initiative will position the Port of Detroit to continue operating as it was founded, as a port! It also chart's a direction for future growth and success with our new EPA Revolving Loan Fund for Brownfield site development. The DWCPA is allowed to take management fees for processing these grants.

2012 Accomplishments

Public Dock & Terminal



The DWCPA, in June of 2011, dedicated their new Public Dock & Terminal project along the Detroit River. The \$22 million project was funded by a variety of competitive and discretionary grant programs. The DWCPA will continue hosting cruise ships, ferries, dinner cruisers and tall ships, many of which are already booked for future shipping seasons. The economic impact of future Great Lake Cruise Ships would generate \$36 million in economic activity per season.

The DWCPA Public Terminal Building is also a premier location and facility for our public leaders, constitutes and media to conduct business events and host community events. For the State of Michigan our facility is the home Port for Great Lakes cruises.

M/V Yorktown Clipper Cruise Ship



The DWCPA successfully hosted the first cruise ship at the Port Detroit Public Dock & Terminal for 2012. The Yorktown Clipper cruise ship brought on each trip over 200 people into downtown Detroit for shore side excursions to the Henry Ford museum, Detroit Institute of Arts and other cultural institutions... It logged 12 visits in 2012 and is scheduled for 8 visits this summer with an additional 4 overnight docking at DWCPA in 2013. In addition the DWCPA is also planning on receiving the 400 passenger ship, M.S. Hamburg and the 100 passenger ship, Grande Mariner in 2013, plus the new Pearl Line Cruise ships in 2014.

EPA Revolving Loan Fund



The DWCPA was awarded an EPA Revolving Loan Fund program and has begun loaning up to \$1 million in 2013 to market worthy projects. The loan funds are available to both non-profit and market-rate developers for investigations of environmentally challenged sites. By assisting developers with their environmental due diligence costs for industrial sites that have historically represented high liability can suddenly become attractive for redevelopment.

Port of Detroit – Eighth Full Season



In 2012 the Port of Detroit Marine Terminals, at the foot of Clark Street in southwest Detroit, marked its eighth year of operations. Receiving vessels from more than a half-dozen countries from around the world, resulting in the delivery of more than 350,000 tons of steel. DWCPA anticipates that 2013 promises to be a very good year for cargo operations at Port Detroit. Michigan's international port is expecting an increase of all cargo types, estimated an annual volume of approximately 4000,000 tons. This volume estimate will increase because of our ability to import steel for the local steel fabricators and the auto industry. The recent Foreign Trade Zone designation at the Detroit facility will allow for additional cargo that requires this type of facility designation.

Port of Detroit – Federal Railroad Administration

The DWCPA secured \$500,000 through the Federal Railroad Administration for the development of a new rail spur to connect the site to the main rail line, which leads to the Detroit Intermodal Freight Terminal (DIFT). The DIFT is the main intermodal facility being developed by the Michigan Department of Transportation. By linking the marine terminal to this project, via rail, Port Detroit will become a true multi-modal Port. This assists the DWCPA in negotiating the importing and exporting of alternative energy components, project cargoes and potential grain exports.

U.S. DHS Port Security Grants



The DWCPA continues to serve as the Fiduciary Agent for all U.S. Port Security Grant funding distributed to the Port of Detroit by the U.S. Department of Homeland Security up until 2014. Chosen by the local Area Maritime Security Committee, which is facilitated by the U.S. Coast Guard, and represents all local homeland security agencies. The DWCPA will continue to invest in projects that mitigate gaps in security while advancing economic development goals of the region. This will encourage local companies and businesses to provide solutions.

DWCPA Border Surveillance Project



The DWCPA is currently utilizing its state-of-the-art surveillance systems at two critical locations along the Detroit River. One system is located at the Port of Detroit Marine Terminal in southwest Detroit, and a second system at the new Port Detroit, Public Dock & Terminal facility. The systems have received national attention and personal visits by distinguished members of the federal government, including the Department of Defense and the U.S. Naval Secretary. The DWCPA share's its border surveillance feeds of the Detroit River with their homeland security partners, both locally and statewide.

Great Lakes Cruising, Ferry and Other Transient Vessels



The DWCPA will continue to be the leading agency in Michigan actively promoting and marketing Detroit and Michigan port cities as ports of call for the various cruise ships in the Great Lakes system, largely due to its role chairing the bi-national Great Lakes Cruising Coalition. Other vessels of interest such as tall ships, dinner vessels and, potentially, eco-tourism charters also are being targeted. . Additionally we continue to work on cross border ferry and water taxi services from our headquarters in Downtown Detroit, and are currently negotiating with three different cruse lines that have expressed interest in cruising on the Great Lakes.

Michigan Port Collaborative



The DWCPA continues to play an active role in the Michigan Port Collaborative, which incorporated as a 501(c)3 in 2011. The Michigan Port Collaborative (MPC) seeks to advocate policy and secure funds that are critical for the advancement of our ports throughout Michigan. The MPC has identified over 100 port communities across both peninsulas. Successful MPC conferences are held throughout the State in support of advancing policy that would eliminate the Harbor Maintenance Tax for non-bulk cargoes, while directing Congress to spend those tax collections on their intended purpose, which is to maintain Great Lakes infrastructure.

Port of Detroit Constituent Service Meetings



The DWCPA has hosted quarterly Port Detroit Constituent service meeting to discuss public advocacy issues, dredging of our channels and security. With over \$1.5 billion in business revenue, Port Detroit fuels Michigan's economy. The Port of Detroit is comprised of 32 companies such as Severstal, NA, U.S. Steel, Marathon Petroleum, BP, Nicholson Terminal & Dock Co., and Michigan Marine Terminal and marine Pollution Control.

Our job is to assist our state and region with multimodal transportation, infrastructure options, strategic development and finance options for business opportunities. These meetings also allow for policy briefing and constituent feedback.

Goals and Projects: 2013-2018

Structured Financing Program Growth:

The DWCPA will introduce new legislation in 2013 that will enhance the current Port Authority Act. This will allow for increased participation and effectiveness for its structured financing program. The proposed legislation will bring the DWCPA up to par with neighboring states and their respective port authorities. The result will generate new revenue streams and investments to the DWCPA which will provide for future sustainability and self-sufficiency for the port. In addition these programs will provide funding for the much needed operational expenses of our new Terminal facility recently renamed in honor of Senator Carl M. Levin.

Port of Detroit Marine Terminal Investment:

The DWCPA has determined that approximately \$32 million worth of investment is needed at the City of Detroit's only remaining general cargo facility in order to accommodate a diversified cargo base and increased shipments into and out of the Port of Detroit for the steel mills, fabricators and automotive companies. Projects include a recapping the terminal surface deck, demolition of a vacant and functionally obsolete ten-story warehouse, and construction of a rail spur in order to handle alternative energy components and grain exports. This facility serves our steel manufacturing industry with components for the auto industry.

Public Dock & Terminal Operations Plan and Ferry Service:

Port Detroit, Public Dock & Terminal will see its second full season of shipping activity in 2013. Highlights will include visits from the 138 passenger MV Yorktown cruise ship and numerous dockings by the Infinity and Ovation dinner cruisers. We anticipate Tall ships to continue utilizing our public dock during the summer of 2013 in coordination with the annual River Days festival. Grand Prix ferry service will successfully continue as the Penske organization saw the tremendous added value that the port authority offered. In addition the DWCPA Public Terminal Building is also a premier location and facility for our community leaders, constitutes and media to conduct business on behalf of the DWCPA.

Homeland Security:

The DWCPA will continue to serve as the Fiduciary Agent for FEMA's FY2011 Port Security Grant program at the Port of Detroit in 2013. Approximately fifteen projects will begin in 2013 including vessel purchases, surveillance systems and access control projects. Partners will include the Detroit-Windsor Truck Ferry, Michigan State Police, City of Detroit Police Department, Wayne County Sheriff, and both Homeland Security departments from the City of Detroit and Wayne County. All schedule projects completed by DWCPA in 2008, 2009, 2010 have expanded our homeland security investment.

Detroit River Alliance:

The DWCPA, in conjunction with Wayne State University, will study the formation of a new Detroit River Alliance, which will integrate and collaborate with stakeholders along the full 32-mile stretch of the Detroit River. The Alliance will serve as a research and development arm of the DWCPA and look at ways to leverage the natural resources of the Detroit River and its stakeholders to advance water quality and monitoring, habitat restoration and other technologies that lend to increased economic development opportunities and improved homeland security solutions.

DWCPA Revolving Loan Fund:

2013 will see the first applications of the DWCPA new EPA-funded Revolving Loan Fund (RLF) program. The program allows us to work with several potential awardees and we anticipate all funds will have been allocated, by the end of the year. When paid back, we make the funds available again.

Brownfield Assessment Grant:

DWCPA has administered this grant since 2004 and recently was awarded a new round of funding of one million dollars in cooperation with the city of Detroit and Wayne County. This program helps offset environmental costs to spur development investment in our community. The RLF program mentioned above will allow the DWCPA to participate in actual Brownfield remediation activities.

Federal Transportation, Community, and System Preservation (TCSP) Grant:

This project consists of an inventory of land use within the Port of Detroit, which in turn will identify where opportunities exist for future investment in commercial activity, Brownfield redevelopment, habitat restoration and recreation. Beyond an inventory of land and uses, a more sophisticated means of sharing information will be created that allows for quick viewing and data transfer across multiple levels of local and state government, as well as private industry, to spur additional investment and inform planning and development efforts. Ultimately, this work will position the Port of Detroit to continue operating as it was founded, as a port, but also chart a direction for future growth and success.

Cross-Border Ferry Initiative:

Designated as a Marine Highway Corridor Project by U.S. Transportation Secretary Ray LaHood in 2010, the DWCPA will continue to leverage the federal resources provided by U.S. DOT to establish cross-border ferry service between Detroit and Windsor, Ontario. Working closely with U.S. Customs, Canadian Border Services and the Windsor Port Authority, the DWCPA will attempt to begin service that will help move thousands of health care workers and tourists that cross the border daily, amongst many others who cross for the bi-national cultural amenities provided by both communities. In addition we are working with the local automotive industry to create service between plants in the U.S. and Canada and currently working with the Detroit Riverfront Conservancy to potentially provide water taxi service up and down our waterfront.

National Transportation Bill:

The DWCPA has been highly successful in the past in securing federal funds from previous transportation bills such as SAFETEA-LU. The DWCPA will monitor and communicate closely with the Michigan Delegation as they work on a secession bill.

New PortDetroit.com Web Site

The DWCPA has launched its newly refreshed web site in April of 2012, including a package of social media accounts that will better inform citizens, visitors and prospective companies wishing to learn more about the Port of Detroit. We also have produced a 2013 Port Handbook for distribution during various trade missions and for visitors to our Port.

Port Detroit Youth Mentoring Program and the Detroit/Wayne County Port Foundation (DWCPF)

The DWCPA has mentored many children from the Detroit Public school system about the importance of our waterway and Port. We brought local children to the Port of Detroit to visit a cruise ship and continue to engage them in maritime related activities.

In addition we took steps to complete and formalize a 501(c) 3 foundation in 2012-13 and look to launch the effort in 2013. The DWCPF will seek to provide children with scholarships to maritime trade schools, local community colleges and the Great Lakes Academy.

Port of Detroit Stakeholder Outreach

The DWCPA has continued its series of Port terminal stakeholder outreach meetings in 2013, and will continue to do so through 2014. Dialogue at these meetings has led to additional strategy sessions with port terminal operators, manufactures, third party logistics providers, and non vessel operator carriers as to how best the DWCPA can assist them in their operations. Potential projects for 2013 include capital financing and habitat restoration and Brownfield site investigations with companies like Severstal, Marathon and marine pollution control.

City and County Collaboration

The DWCPA has been working with our government agencies to better collaborate on programs we jointly support. We work on Regional Homeland Security, Environmental Remediation and Waterfront Development programs including our work with the Detroit Riverfront Conservancy. Working together strengthens our regions ability to bring new business and jobs to S.E. Michigan.

Port Detroit Intermodal Working Group

The DWCPA hosts regular meetings with logistic and supply chain companies, fabricators and manufactures who supply General Motors, Ford and Chrysler with specialized products and projects.

Regional Representative on Important Transportation Policy Initiatives

Michigan Port Collaborative

The Michigan Port Collaborative (MPC) is comprised of representatives from over 100 port communities throughout the lower and Upper Peninsula's of Michigan. With support from the Governor's Office, Department of Transportation, Department of Natural Resources and Department of Environmental Quality, the MPC seeks to advocate policy and secure financial resources for its member communities from Lansing and Washington, D.C. Our mission is to elevate Michigan's maritime community awareness as the Great Lakes State.

U.S. Coast Guard, Southeast Michigan Area Maritime Security Committee (AMSC)

The Port of Detroit, Area Maritime Security Committee, and their executive bodies, provide the Federal Maritime Security Coordinators (FMSC) with advice on identification and mitigation of threats, serve as a link between law enforcement agencies, ships and marine terminal operators to communicate threat information and change Maritime Security levels (MARSEC) to respond to threats, and assist the FMSC with maintenance of the Area Maritime Security Plan (AMSP). The DWCPA serves on the Executive Committee.

American Association of Port Authorities (AAPA).

The DWCPA has staff representatives who participate on the Cruise, Finance and Public Relations Committees. The AAPA is an alliance of 160 of the leading seaport authorities in the United States, Canada, Latin America and the Caribbean and more than 300 sustaining and associate member, firms and individuals with an interest in seaports. The four goals of its mission are: to advocate governmental policies that strengthen and expand opportunities for member ports, to advance professionalism in all facets of port management and operations, to promote information-sharing and relationship-building opportunities for all members and to achieve greater understanding of the essential role and economic value of ports.

The International Propeller Club of the United States-Port of Detroit.

Annually, the DWCPA celebrates the opening of the Port of Detroit with the Port of Detroit Chapter by co-hosting a luncheon honoring the arrival of the first International ocean vessel. The DWCPA gives the "State of the Port" address at this luncheon and awards the coveted J.L. Hudson Award to the ship's agent with a plaque. Many of the DWCPA staff are active members of the Port of Detroit chapter and participate in their educational forums. The Propeller Club is a grass-roots non-profit organization, dedicated to the promotion of domestic and international waterborne commerce, and to the enhancement and well being of the maritime industry on a national and international basis. Its goal is to educate government officials, the media, and the public as to the importance and necessity of a strong merchant marine and maritime industry. At Port of Detroit our mission is the creation of a "One Port Detroit".

Waterborne Transportation Action Group (Detroit Regional Chamber)

This group was formed by the Detroit Regional Chamber to advocate for transportation policy and infrastructure improvements that will enhance the overall business climate and quality of life in the Detroit region. This select group of key transportation and business stakeholders, which includes the DWCPA, seeks to formulate a comprehensive strategy to establish the Detroit region as a viable Midwest multi-modal transportation center that is competitive in the global marketplace. The DWCPA has taken a leadership role with our new strategic plan as the chamber also supported our efforts with regards to the Ballast Water law.

American Great Lakes Ports Association (AGLP)

The American Great Lakes Ports Association (AGLP) is an organization representing the interests of the public port authorities on the U.S. side of the Great Lakes. The organization works to inform and influence public policies, primarily at the federal level, that foster maritime commerce and related employment in the Great Lakes region. The DWCPA has represented the Southeast Michigan area since its inception in the late 1970s.

Southeast Michigan Coastal Zone Committee (U.S. Coast Guard)

The DWCPA was recently asked to serve on the Coastal Zone Committee of the U.S. Coast Guard, which will look at several policy initiatives that affect security and infrastructure along our waterfront. One such issue is the introduction of the Transportation Worker Identification Credential (TWIC), a credentialing system for maritime workers who require unescorted access to secure areas of port facilities and vessels regulated under the Maritime Transportation Security Act. (MTSA)

Detroit/ St. Clair River Working Group

This working group, which includes representatives from the DWCPA, focuses on the St. Clair River–Lake St. Clair–Detroit River Corridor, and the many issues affecting its health ranging from fishing, to recreational boating, and from drinking water to commercial navigation. We currently are working with the Macomb County Executive as part of this working group.

The Great Lakes Maritime Task Force

The Great Lakes Maritime Task Force was founded in November of 1992 to promote a strong U.S.-Flag Merchant Marine on the Great Lakes. Its labor/management membership comprise representatives from the domestic and international trades and encompasses carriers, maritime unions, longshoremen, shipyards, dredging companies, terminal operators, and port authorities, including the Detroit/Wayne County Port Authority. Our major focus is to assist in procuring Federal Funds for the dredging of our harbors. The Great Lakes Maritime Task Force is dedicated to increasing all kinds of trade on the Great Lakes to promote job creation.

Transportation Research Board

The Transportation Research Board (TRB) is a division of the National Research Council, which serves as an independent adviser to the federal government and others on scientific and technical questions of national importance. The National Research Council is jointly administered by the National Academy of Sciences, the National Academy of Engineering, and the Institute of Medicine. The mission of the Transportation Research Board—one of six major divisions of the National Research Council—is to promote innovation and progress in transportation through research. The DWCPA provides input and information in various capacities with this research group.

DWCPA Foundation Support

The DWCPA works with several foundations to support our Detroit Fireboat and provide much needed work to retrofit the boat to accommodate our waterfront community needs for first responders. The DWCPA also is currently working to provide funding through various local Foundations to bring up the historic anchor from the City of Detroit Cruise ship, which currently is sitting on the bottom of the Detroit River. Our vision for success in 2013-2014 is to proudly display this anchor on the riverfront side of the Port Terminal building to educate the public on our cities important maritime history.

Southeast Michigan Council of Government (SEMOG)

The DWCPA holds a Board position with the Southeast Michigan Council of Government. SEMOG is asked by the State of Michigan to provide the regions Transportation Investment Plan (TIP) and the Port Authority's projects have been submitted and approved. For example our Ferry project and rail spur off the trunk line is in the plan approval is essential to gain access to both State and Federal funding.

The Detroit Riverfront Conservancy

The DWCPA has a Board seat with the conservancy. As a Board member of the Conservancy and with our building and dock considered a critical piece to their plan, we are working together to complete a study on water taxi service along the 5 mile span of the new promenade.